

SENATE BILL REPORT

SB 6591

As of February 7, 2012

Title: An act relating to setting employee salaries upon reallocation or layoff action.

Brief Description: Setting employee salaries upon reallocation or layoff action.

Sponsors: Senators Tom, Kastama, Hatfield, Hobbs, Pflug, Hill and Schoesler.

Brief History:

Committee Activity: Ways & Means: 2/07/12.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Erik Sund (786-7454)

Background: Generally, state employment positions are either exempt, general service, or Washington Management Service (WMS). General service employees are eligible to collectively bargain if they so elect. In higher education, employee positions typically are either exempt or general services; some categories of exempt employees as well as general service employees may collectively bargain if they so elect. For example, higher education faculty and graduate students are exempt employees but may collectively bargain. For employees who collectively bargain, salary and wage increases are determined as provided in the existing contract.

General service and WMS employees' basic salaries are established as a salary schedule that includes a minimum and maximum amount for each job class. If an employee is reallocated to a different job class because of a layoff action, the elimination of a position or the abolition of an existing job class, that employee may continue to be paid at a level equal to the employee's previous salary, even if that exceeds the maximum salary for the new job classification. This practice is commonly referred to a y-rating.

The Personnel System Reform Act of 2002 provides for bargaining by the Governor and representatives of classified employee bargaining units. Mandatory subjects of bargaining include wages, hours, terms and conditions of employment, and grievance procedures, as well as dollar amounts expended per employee for health care benefits. Permissive subjects of bargaining are health care or other insurance benefits, certain civil service rules, and union security provisions. Bargaining over management rights is prohibited. Management rights include, but are not limited to, the functions and programs of the employer; the employer's

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budget and size of the agency's workforce, including the financial basis for layoffs; the right to supervise employees; and retirement benefits.

Summary of Bill: An employee who is reallocated to a job class with a lower salary range or who is appointed to a position with a lower salary range as a result of a layoff action is paid a base salary based on the salary range of the employee's new job class without regard to the employee's previous salary.

The determination of a state employee's salary upon reallocation or appointment to a new job class as a result of a layoff action is a management right and is not subject to collective bargaining.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.